

## CITY COUNCIL STUDY SESSION MINUTES

February 16, 2010

The City Council of the City of Norman, Cleveland County, State of Oklahoma, met in Study Session in the Municipal Building Conference Room at 5:40 p.m. on the 16th day of February, 2010, and notice and agenda of the meeting were posted in the Municipal Building at 201 West Gray and the Norman Public Library at 225 North Webster 48 hours prior to the beginning of the meeting.

### PRESENT:

Councilmembers Atkins, Butler, Cubberley, Dillingham, Ezzell, Griffith, Kovach, Quinn, Mayor Rosenthal

### ABSENT:

None

### MIDYEAR FYE 2010 BUDGET REVIEW AND FINANCIAL OUTLOOK FOR THE REMAINDER OF THE CURRENT FISCAL YEAR.

City Manager Steve Lewis compared the economic condition of both Oklahoma and Norman to other cities across the nation. He described the cutback management philosophies and said the Management Team has been working to close the gap on a \$1.5 million budget shortfall in the current fiscal year. He provided Council with a summary of proposed reductions by department totaling \$1,323,189 to date and said additional cutbacks are planned to fully achieve the \$1.5 million.

Mr. Anthony Francisco, Director of Finance, provided an overview of revenue sources including franchise and sales tax revenues. He said franchise revenues are down and sales tax revenue is below projections for FYE 2010 as well as last year's revenue received for the same period of time. He said the sales tax revenue received in February shows small growth over last year. He said the City of Norman is 7% below projections compared with Oklahoma City who is 13% down and Tulsa who is 17% down. Mayor Rosenthal said she would like to get additional comparisons with the Cities of Jenks, Bixby, Broken Arrow, Edmond, and Midwest City.

City Manager Lewis said the funds identified for cutbacks would not be returned to Fund Balance immediately but would be transferred and held in an account in the City Manager's budget. Councilmember Kovach asked what would happen with the funds once transferred to the City Manager's Budget and Mr. Francisco said if the funds are not accessed by the end of the fiscal year, they will roll back to the General Fund Balance.

Mr. Lewis said the City also implemented a "Smart Hiring Freeze" and currently there are three positions that have been frozen; one Customer Service Representative in the Finance Department, one Forensics Analyst in the Police Department, and the City's Forester position. He said in order to get one of the positions filled, the Department Head, Human Resources Director, Finance Director, and City Manager will have to approve filling the vacant position. Councilmember Dillingham asked whether staff was participating in cross-training opportunities to address the shortfalls within the departments when a vacancy occurs and Mr. Lewis indicated staff is currently working on that.

Mr. Lewis said staff has been contacted by the Cleveland County Sheriff's Office regarding an increase in prisoner care fees, which would be an increase of \$35,000 to \$40,000 beginning next fiscal year. The increase in the current fiscal year would be minimal.

Items submitted for the record

1. Cutback Management flyer
2. City of Norman Seven Month Financial Report dated July 2009 – January 2010, FYE 2010 with Attachment A, FYE 10 General Fund and Recreation Fund Transfers, First Round
3. FYE 10 General Fund and Recreation Fund Transfers, Second Round

Participants in discussion

1. Mr. Steve Lewis, City Manager
2. Mr. Anthony Francisco, Finance Director
3. Mr. James Fullingim, Fire Chief
4. Mr. Phil Cotten, Police Chief
5. Mr. Shawn O'Leary, Director of Public Works

ORDINANCE NO. O-0910-23: AN ORDINANCE OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA, AMENDING SECTION 14-310(E) TO CHAPTER 14 OF THE CODE OF THE CITY OF NORMAN TO INCREASE MUNICIPAL COURT COSTS; AND PROVIDING FOR THE SEVERABILITY THEREOF.

Ms. Ronda Guerrero, Municipal Court Clerk, highlighted the proposed ordinance to increase court cost fees from \$25 to \$30. She said court costs are assessed on each citation filed in Municipal Court and are collected from the defendant to offset Municipal Court's operating expenses for processing the citations. She said the last time the court costs were increased was in 1999, when they were increased from \$15 to \$25. She said 17,950 citations were processed in Municipal Court in 1999 compared with 22,094 in 2009. House Bill 1800 became effective May 22, 2009, allowing Municipal Courts, not of record, to assess costs up to \$30. The proposed ordinance will set court costs at the rate provided by state law and will result in approximately \$110,000 per year in additional revenue.

Councilmember Kovach asked if the additional revenue would stay in Municipal Court and suggested Council consider earmarking those funds for Municipal Court needs. Mr. Francisco said the revenue would go to the General Fund Balance. Councilmember Cubberley said revenue received in Municipal Court also offset costs for police officers who issue the tickets and felt they should not be earmarked just for Municipal Court.

Mayor Rosenthal asked for Council direction whether to move the ordinance forward on Council's regular agenda and Council supported advancing the ordinance for formal consideration. Mayor Rosenthal asked staff to share the statistical information provided tonight during the public hearing on the ordinance.

Items submitted for the record

1. Memorandum dated January 22, 2010, from Ronda Guerrero, Municipal Court Clerk, to the Honorable Mayor and Councilmembers
2. Ordinance No. O-0910-23
3. Municipal Court Costs

Participants in discussion

1. Mr. Steve Lewis, City Manager
2. Ms. Ronda Guerrero, Municipal Court Clerk

DISCUSSION REGARDING UNIVERSITY NORTH PARK TAX INCREMENT FINANCE (TIF) DISTRICT, DEVELOPMENT AGREEMENT NO. FIVE AND LEGACY PARK.

Mr. Jeff Bryant, City Attorney, said this item was scheduled on the agenda to provide Council with an update on the negotiations with Development Agreement No. Five. He said staff presented Council's desires to the developer and received a response letter this afternoon, but did not get the opportunity to review it. He said staff will analyze the letter and provide Council with an update at the Council Conference on February 23, 2010.

Councilmember Kovach asked about the status of the deed for the parkland and Mr. Bryant said the City has not received it yet.

Participants in discussion

1. Mr. Jeff Bryant, City Attorney

The meeting adjourned at 6:25 p.m.

ATTEST:

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City Clerk

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Mayor